India's Trade expansion programme

46. SHRI P. UPENDRA: Will the Minister of COMMERCE be pleased to state :

(a) whether it is a fact that India's liberalised trades expansion programme is running into difficulties due to increased protectionist policies followed by industrialised countries; and

(b) if so, what steps are being contemn plated to impress upon developed countries to remove trade restrictions and trade blocks ?

THE MINISTER OF COMMERCE (SHRI PRANAB MUKHERJEE) : (a) and (b) A general protectionist trend has been discerned in some developed countries. India believes that an open and liberal trading system governed by multilateral rules is the most effective check on protectionism. India is participating constructively in the Uruguay Round negotiations with a view to strengthening the multilateral trading system based on non-discrimination and transparency.

Functioning of E.O.Us. and E.P.Zs.

47. SHRI MENTAY PADMANABHAM : Will the Minister of COMMERCE be pleased to state :

(a) whether it is a fact that EOUs and EPZs have become redundant;

(b) if so, what are the reasons therefor;

(c) whether Government have made any assessment on their present utility; and

(d) if so, what are the details thereof ?

THE MINISTER OF COMMERCE (SHRI PRANAB MUKHERJEE) : (a) No Sir.

(b) Does not arise.

(c) and (d) The working of the EOU EPZ Schemes is under constant review, and improvements are brought about as necessary. The schemes continue to receive encouraging entrepreneurial response.

Violation of Intellectual property rights

48. SHRI P. UPENDRA : Will the Minister of COMMERCE be pleased to state :

(a) whether Government's attention has been drawn to the U.S. trade representative Mickey Kantor's report on foreign trade barriers, which says that American intellectual property rights are being violated by India;

(b) if so, what is the reaction of Government to the same;

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(c) whether it will lead to India continuing on the U.S. Special 301 list of priority countries; and

(d) what effect this will have on Indian exports, particularly, pharmaceuticals and chemicals ?

THE MINISTER OF COMMERCE (SHRI PRANAB MUKHERJEE) : (a) to (d) The Foreign Trade Barriers Report of the United States Trade Representative for 1993 alleges, inter-alia, weak intellectual property protection, particularly, on patents. Under US law, the USTR is expected to identify, within thirty days of the publication of this report, those countries as priority countries which in the US view, have the most onerous acts, policies and practices.

It has been the consistent policy of Government that there should not be unilateral judgement or action on trade matters and that these should be resolved multilaterally.

FICCI Plan to Boost Exports

49. .SHRI SOM PAL :
SHRI MOHINDER SINGH LATHER :

Will the Minister of COMMERCE be pleased to state ;

(a) whether Government's attention has been drawn to the report appearing in the Indian Express dated the 15th March, 1993 regarding "10-point PICO plan to boost exports";

(b) if so, what is Government's reaction thereto;

(c) whether any of these suggestions have been incorporated in the newly an nounced export policy;

(d) if so, what are the details thereof and also of those which have not found favour of Government; and

(e) what are the reasons therefor ?

THE MINISTER OF COMMERCE (SHRI PRANAB MUKHERJEE) : a) Yes, Sit.

(b) to (e) In order to increase exports, the Government have taken major steps for liberalisation of trade which include provision of export linked imports, reduction of import licensing, strengthening export incentives, removal of procedural irritants through simplification of policy and procedures, and pruning of negative list of Exports. In 1993-94 Budget, the system of market determined unified exchange rate has been introduced and customs and excise duties on many raw materials and capital goods have been reduced. The interest rate on rupee export credit has been reduced by one percentage point and the interest tax in the case of export credit from banks has been waived. Banks have been asked to ensure that export credit amounts to atleast 10% of their total advances by the end of June, 1993. Besides, 34 commodities have been identified as "Extreme Focus" sectors for a special export thrust abroad. The Exim Policy 1992-97 has been amended to include a scheme of EOU's for Agricultural and allied sectors who export at leas* 50% of their produce. The definition of 'manufacture' and 'capital goods' has been extended to include agricultural and allied activities. This generally covers the items listed in the 10-podnt plan.

National consensus on the DunkeP.s proposals

50. SHRI AJIT P. K. JOGI :
CHOWDHRY HARI SINGH :

Will the Minister of COMMERCE be pleased to state :

(a) whether Government have made any attempts to find a national consensus on the Dunkel's proposal of GATT;

(b) if so, what are the details thereof, indicating Government's aims and views on patents, publications and farm products;

(e) whether Government are also under heavy pressure under super 301 clause;

(d) if so, in what manner these onslaughts and dangers to Indian economy are being met; and

(e) whether Government propose to issue a white paper on the subject for public education ?

THE MINISTER OF COMMERCE (SHRI PRANAB MUKHERJEE) : (a) to (e) Government had constituted a Group of Ministers which held consultations with political parties, trade and industry, economists, journalists and academicians in February, 1992 to ascertain their views on the Dunkel proposals, Government alsot initiated discussions in the Lok Sabha on these proposals on 23 December, 1992 and during the discussions it was decided that consultations would be held with political parties. Consultations have already been held with CPI, CPI(M) Janata Dal, Janata Party, Samajwadi Janata Party and Telugu Desam during February & March, 1993. It is proposed to broaden the consultations by inviting trade unions and farmer's organization also.

In 1992 the United States withdrew benefits under the Generalized Scheme of Preferences from India on chemical items in Chapters 28—38 of the Harmonized Systems. It also designated India as a 'Priority foreign country under the Special 301 provision of its trade laws. Both actions were stated to have been taken on grounds of allegedly weak intellectual property protection in India, particularly on patents. The annual report of the United States Trade Representative on Foreign Trade Barriers, released on 31st March 1993, has also alleged weak intellectual property protection, particularly on patents and barriers in the area of trade in goods